GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1888
ANSWERED ON:29.11.2002
CENTRAL BOARD OF BANK FRAUDS
MANSUKHBHAI D. VASAVA

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Government have constituted a Central Board of Bank Frauds;

(b) if so, the details thereof;

(c) the number of the cases assigned to the above Board so far;

(d) the number of the cases out of the above disposed-of by the Board upto 28th February, 2002; and

(e) the number of persons found guilty and the number of those punished during the above period?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)

(a) & (b):- A Central Advisory Board on Bank Frauds (CABBF) was constituted with effect from March 1, 1999 by Central Vigilance Commission to render advice to Central Bureau of Investigation (CBI) on borrowal accounts in banks and financial institutions. The advice of the Board will not be a binding on the CBI. The Board has been renamed as Advisory Board for Banking, Commercial and Financial Frauds (ABBCFF) w.e.f 8.8.2000. The Board`s jurisdiction would be confined to those cases where in disagreement with a public sector enterprise bank, financial institution or insurance company the CBI desires to register a Regular Case (RC)/Preliminary Enquiry (PE) in respect of an allegation of:

(i). a fraud in a borrowal account in a public sector bank;

(ii). a financial or commercial fraud in a public sector Financial Institution, enterprise or Insurance company.

(c), (d) & (e):- The Board`s function is only advisory in nature and it has no executive or investigative powers. Reserve Bank of India has reported that during the period March 1999 to February 2002, the Board had received 46 cases and all of them have been disposed of.